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8 July 1982

MEMORANDUM FOR: DCI

FROM:

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SUBJECT: Commerce Economic Competitive Assessment Capability

1. Your memo of 1 July leaves me a bit stuck: the issue has been looked at so many times, and by so many people, that apparently there isn't much left to be said. What follows is a synthesis of talks with Bob Gates, Harry Rowen and Maurice Ernst.

2. There is no insurmountable obstacle to greater distribution of our sanitized information through Commerce channels here and abroad.

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-- As for finished analytic intelligence, we certainly can distribute more widely to Commerce officials. At present our product goes to no more than 20 top officials; apparently no one has thought to extend distribution to, say, the 700 attaches.

3. Intelligence analysts could indeed make better use of Commerce experts--as well as experts in Treasury, AID, OPIC, etc. We need only do it, although instructions from the top of these agencies to cooperate with us would help encourage officials who might be reluctant to share. Of course, some cooperation and coordination does take place.

-- The SBA does not now help US companies to invest overseas; they help only US companies who want to export. SBA officials say that Kobelinski's program never really got going. OPIC has all the Third World investment action now under Tom Nelan. DDI people have briefed OPIC officers, and hope to glean information from them as OPIC revs up.

4. Lionel Olmer is only the latest in a long line of Commerce Department executives who want a unit to assess industrial/economic issues. It's a good idea that none of his predecessors have managed to achieve. Should such a center come into being, its product could be of immense value to the intelligence community, given the Department's expertise--and horsepower.

Herb Meyer

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